#### LEGISLATIVE COUNCIL BRIEF

#### **Registration of Local Newspapers Ordinance (Cap. 268)**

# NEWS AGENCIES REGISTRATION (AMENDMENT) REGULATION 2014

## NEWSPAPERS REGISTRATION AND DISTRIBUTION (AMENDMENT) REGULATION 2014

#### INTRODUCTION

Section 29A of the Interpretation and General Clauses Ordinance (Cap. 1) empowers the Financial Secretary (which means also the Secretary for Financial Services and the Treasury by virtue of section 3 of Cap. 1) to vary fees which have previously been specified in subsidiary legislation made by the Chief Executive in Council.

- 2. In exercise of this power, the Secretary for Financial Services and the Treasury has made the News Agencies Registration (Amendment) Regulation 2014 and the Newspapers Registration and Distribution (Amendment) Regulation 2014 ("the Amendment Regulations") as set out at Annexes A and B respectively, to vary the fees specified in the following subsidiary legislation made pursuant to section 18 of the Registration of Local Newspapers Ordinance (Cap. 268)
  - (a) News Agencies Registration Regulations (Cap. 268A); and
  - (b) Newspapers Registration and Distribution Regulations (Cap. 268B).

#### **JUSTIFICATIONS**

3. In line with the "user pays" principle, it is Government's policy that fees charged for government services should in general be set at levels adequate to recover the full cost of providing the services. The 11 fee items specified in the News Agencies Registration Regulations and the Newspapers

Registration and Distribution Regulations were last revised on 1 December 2005. The full cost of providing these services has yet to be recovered.

- 4. In order to achieve full cost recovery gradually for providing these services under the Registration of Local Newspapers Ordinance and to avoid a steep fee increase, the following guidelines have been adopted in the fee revision in this exercise
  - (a) for those fees with an existing cost recovery rate of less than 40%, adopt an increase of about 20%;
  - (b) for those fees with an existing cost recovery rate of between 40% and 70%, adopt an increase of about 15%; and
  - (c) for those fees with an existing cost recovery rate of over 70%, adopt an increase of 10% or lower.

The revised fees are summarised at Annex C and will take effect from 1 November 2014.

#### THE AMENDMENT REGULATIONS

5. The Amendment Regulations at Annexes A and B will give effect to the adjustment in fees as set out at Annex C.

#### LEGISLATIVE TIMETABLE

6. The legislative timetable is as follows –

Publication in the Gazette 25 April 2014

Tabling at the Legislative Council for 30 April 2014 negative vetting

#### IMPLICATIONS OF THE PROPOSAL

7. It is estimated that the proposed fee revisions under the Registration of Local Newspapers Ordinance will increase revenue by about \$85,000 per annum. Given that the proposed fee adjustments are not significant, we expect that the revised fees will have little impact on the daily life of the general public or the running cost of business operators. The proposal is in

conformity with the Basic Law, including the provisions concerning human rights. The proposed amendments do not affect the current binding effect of the Registration of Local Newspapers Ordinance and its subsidiary legislation.

#### **EFFICIENCY INITIATIVES**

8. The Office for Film, Newspaper and Article Administration regularly reviews the concerned work procedures and wherever possible, implement efficiency initiatives with a view to reducing or containing the cost of providing services.

#### **PUBLIC CONSULTATION**

9. We consulted the Legislative Council Panel on Constitutional Affairs on the proposed fee revisions at its meeting on 17 February 2014. Members did not raise any objection to the proposed revisions.

#### **PUBLICITY**

10. A press release will be issued on the day when the Amendment Regulations are published in the Gazette.

#### **ENQUIRY**

11. For enquiries on this brief, please contact Mrs Philomena Leung, Principal Assistant Secretary for Constitutional and Mainland Affairs at 2810 2681.

Constitutional and Mainland Affairs Bureau April 2014

### News Agencies Registration (Amendment) Regulation 2014

(Made by the Secretary for Financial Services and the Treasury under section 29A of the Interpretation and General Clauses Ordinance (Cap. 1) by virtue of section 18 of the Registration of Local Newspapers Ordinance (Cap. 268))

1. Commencement

This Regulation comes into operation on 1 November 2014.

2. News Agencies Registration Regulations amended

The News Agencies Registration Regulations (Cap. 268 sub. leg. A) are amended as set out in sections 3 and 4.

- 3. Regulation 11 amended (fees for search inspection and extract from news agency register)
  - (1) Regulation 11—

Repeal

"\$32"

Substitute

"\$37".

(2) Regulation 11-

Repeal

"\$125"

Substitute

"\$145".

News Agencies Registration (Amendment) Regulation 2014

Section 4

2

- 4. Regulation 13 amended (registration fees, etc.)
  - (1) Regulation 13(1)—

Repeal

**"\$**905"

Substitute

"\$995".

(2) Regulation 13(2)—

Repeal

**"\$**725"

Substitute

**"\$**835".

(3) Regulation 13(3)—

Repeal

"\$100"

Substitute

"\$120".

Secretary for Financial Services and the Treasury

2014

#### **Explanatory Note**

The purpose of this Regulation is to increase the following fees payable under the News Agencies Registration Regulations (Cap. 268 sub. leg. A)—

- (a) the fee for searching and inspecting the news agency register;
- (b) the fee for obtaining a certified copy of an extract from the news agency register;
- (c) the fee for registering a news agency;
- (d) the annual fee in respect of a registered news agency;
- (e) the fee for furnishing substituted particulars of a news agency.

### Newspapers Registration and Distribution (Amendment) Regulation 2014

(Made by the Secretary for Financial Services and the Treasury under section 29A of the Interpretation and General Clauses Ordinance (Cap. 1) by virtue of section 18 of the Registration of Local Newspapers Ordinance (Cap. 268))

1. Commencement

This Regulation comes into operation on 1 November 2014.

2. Newspapers Registration and Distribution Regulations

The Newspapers Registration and Distribution Regulations (Cap. 268 sub. leg. B) are amended as set out in sections 3, 4 and 5.

- 3. Regulation 10 amended (fees for search inspection and extract from register of local newspaper)
  - (1) Regulation 10-

Repeal

**"\$33"** 

Substitute

**"\$38"**.

(2) Regulation 10—

Repeal

"\$130"

Substitute

"\$150".

#### Newspapers Registration and Distribution (Amendment) Regulation 2014

Section 4

2

- 4. Regulation 12 amended (registration fees, etc.)
  - (1) Regulation 12(1)—

Repeal

**"\$9**05"

Substitute

"\$1,040".

(2) Regulation 12(2)—

Repeal

"\$680"

Substitute

"\$780".

(3) Regulation 12(3)—

Repeal

"\$100"

Substitute

"\$120".

5. Regulation 13 amended (distributor to be licensed)

Regulation 13(2)—

Repeal

"\$865"

Substitute

"\$950".

Newspapers Registration a	and Distribution (Amendment) Regulation 2014
	3
	Secretary for Financial Services and the Treasury
2014	

Newspapers Registration and Distribution (Amendment) Regulation 2014 Explanatory Note

Paragraph 1

4

#### **Explanatory Note**

The purpose of this Regulation is to increase the following fees payable under the Newspapers Registration and Distribution Regulations (Cap. 268 sub. leg. B)—

- (a) the fee for searching and inspecting the register of local newspapers;
- (b) the fee for obtaining a certified copy of an extract from the register of local newspapers;
- (c) the fee for registering a local newspaper;
- (d) the annual fee in respect of a registered local newspaper;
- (e) the fee for furnishing substituted particulars of a local newspaper;
- (f) the fee for obtaining a licence of newspaper distributor.

# Fee Revisions under the News Agencies Registration Regulations (Cap. 268A)

Fee Item	Existing fee	Full cost	Existing cost recovery rate	Revised fee	Amount of increase (% increase)	Cost recovery rate after the fee revision
(1) First registration of a news agency- reg. 13(1)	\$905	\$1,252	72%	\$995	\$90 (10%)	79%
(2) Annual renewal of registration of news agency-reg. 13(2)	\$725	\$1,042	70%	\$835	\$110 (15%)	80%
(3) Change of particulars of a news agency- reg. 13(3)	\$100	\$278	36%	\$120	\$20 (20%)	43%
(4) Search for a news agency register-reg. 11	\$32	\$81	40%	\$37	\$5 (16%)	46%
(5) Certified true copy of a news agency register-reg. 11	\$125	\$263	48%	\$145	\$20 (16%)	55%

# Fee Revisions under the Newspapers Registration and Distribution Regulations (Cap 268B)

Fee Item	Existing fee	Full cost	Existing cost recovery rate	Revised fee	Amount of increase (% increase)	Cost recovery rate after the fee revision
(1) First registration of local newspaper- reg. 12(1)	\$905	\$1,511	60%	\$1,040	\$135 (15%)	69%
(2) Annual renewal of registration of local newspaper-reg. 12(2)	\$680	\$1,300	52%	\$780	\$100 (15%)	60%
(3) Change of particulars of local newspaper registration-reg. 12(3)	\$100	\$278	36%	\$120	\$20 (20%)	43%
(4) Search for a newspaper register- reg. 10	\$33	\$81	41%	\$38	\$5 (15%)	47%
(5) Certified true copy of a newspaper register- reg. 10	\$130	\$313	42%	\$150	\$20 (15%)	48%
(6) Newspaper distributor's licence-reg. 13(2)	\$865	\$1,123	77%	\$950	\$85 (10%)	85%